

Adopted	Rejected
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COMMITTEE REPORT

YES:	13
NO:	0

MR. SPEAKER:

*Your Committee on Insurance, Corporations and Small Business, to which was referred House Bill 1545, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill **be amended** as follows:*

- 1 Page 11, delete lines 41 through 42.
- 2 Page 12, delete lines 1 through 6.
- 3 Page 23, between lines 6 and 7, begin a new paragraph and insert:
- 4 "SECTION 21. IC 27-1-25.1 IS ADDED TO THE INDIANA CODE
- 5 AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE
- 6 JULY 1, 2003]:
- 7 **Chapter 25.1. Certain Insurer Responsibilities**
- 8 **Sec. 1.** As used in this chapter, "affiliate" has the meaning set
- 9 **forth in IC 27-1-25-1(b).**
- 10 **Sec. 2.** As used in this chapter, "insurer" has the meaning set
- 11 **forth in IC 27-1-25-1(l).**
- 12 **Sec. 3.** As used in this chapter, "person" refers to a person
- 13 **described in IC 27-1-25-1(a)(15).**
- 14 **Sec. 4.** The insurer with which a person is affiliated is
- 15 **responsible for:**
- 16 **(1)** the acts of the person; and

1 **(2) providing the person's books and records to the**
 2 **commissioner.**

3 SECTION 22. IC 27-1-31-3 IS AMENDED TO READ AS
 4 FOLLOWS [EFFECTIVE JULY 1, 2003]: Sec. 3. (a) If an insurer
 5 refuses to renew a policy of insurance written by the insurer, the insurer
 6 shall provide written notice of nonrenewal to the insured:

7 (1) at least forty-five (45) days before the expiration date of the
 8 policy, if the coverage provided is for one (1) year, or less; or

9 (2) at least forty-five (45) days before the anniversary date of the
 10 policy, if the coverage provided is for more than one (1) year.

11 **(b) A notice of nonrenewal is not required if:**

12 **(1) the insured is transferred from an insurer to an affiliate of**
 13 **the insurer for future coverage as a result of a merger, an**
 14 **acquisition, or a company restructuring;**

15 **(2) the transfer results in the same or broader coverage; and**

16 **(3) the insured approves the transfer.**

17 SECTION 23. IC 27-7-6-6 IS AMENDED TO READ AS
 18 FOLLOWS [EFFECTIVE JULY 1, 2003]: Sec. 6. No insurer shall fail
 19 to renew a policy unless it shall mail or deliver to the named insured,
 20 at the address shown in the policy, at least twenty (20) days' advance
 21 notice of its intention not to renew. In the event such policy was
 22 procured by an agent duly licensed by the state of Indiana notice of
 23 intent not to renew shall be mailed or delivered to such agent at least
 24 ten (10) days prior to such mailing or delivery to the named insured
 25 unless such notice of intent is or has been waived in writing by such
 26 agent.

27 This section shall not apply: (a) if the insurer has manifested its
 28 willingness to renew; nor (b) in case of nonpayment of premium:
 29 Provided, That, notwithstanding the failure of an insurer to comply
 30 with this section, the policy shall terminate on the effective date of any
 31 other insurance policy with respect to any automobile designated in
 32 both policies. **A notice of intention not to renew is not required if:**

33 **(1) the insured is transferred from an insurer to an affiliate of**
 34 **the insurer for future coverage as a result of a merger, an**
 35 **acquisition, or a company restructuring;**

36 **(2) the transfer results in the same or broader coverage; and**

37 **(3) the insured approves the transfer.**

38 Renewal of a policy shall not constitute a waiver or estoppel with

1 respect to grounds for cancellation which existed before the effective
2 date of such renewal.".

3 Page 27, delete line 38.

4 Renumber all SECTIONS consecutively.
 (Reference is to HB 1545 as introduced.)

and when so amended that said bill do pass.

Representative Fry